



4271 03/15/06 \$6,000.00

OFFICE OF
INSURANCE COMMISSIONER

In the Matter of

No. D 06-104

RURAL COMMUNITY
INSURANCE COMPANY,

ORDER
IMPOSING A FINE

An Authorized Insurer.

Findings of Fact:

1. Rural Community Insurance Company ("RCIC") is authorized to conduct insurance business in Washington State. It issues property, marine transportation, vehicle, and casualty insurance.
2. RCIC filed the signature accompanying its Statement of Actuarial Opinion with the OIC on April 29, 2005.

Conclusions of Law:

1. The failure of RCIC to timely file the signature accompanying its Statement of Actuarial Opinion by the due date of February 28, 2005 constitutes a violation of RCW 48.05.250.
2. RCW 48.05.185 authorizes the Commissioner to impose a fine in lieu of or in addition to the suspension or revocation of an insurer's certificate of authority.
3. WAC 284-07-060(2)(a) requires an insurer's annual statement be accompanied by a signed Statement of Actuarial Opinion as executed in accordance with the appropriate *Annual Statement Instructions* and *Accounting Practices and Procedures Manuals* promulgated by the National Association of Insurance Commissioners.

Consent to Order:

RCIC consents to the following, in order to resolve this matter without further legal or administrative proceedings. The Insurance Commissioner consents to resolve this matter, in consideration of the insurer's payment of a fine, as set forth below.

1. RCIC consents to entry of the foregoing Findings of Fact and Conclusions of Law, and acknowledges its duty to comply with all applicable laws and regulations of Washington State. It waives further legal or administrative challenge to the actions taken, or to be taken, by the Insurance Commissioner relating to the subject matter of this order.

2. Within thirty days of the entry of this Order, RCIC will pay to the Insurance Commissioner a fine in the amount of \$6,000 (six thousand dollars).
3. If RCIC fails to pay the fine in full within thirty days of the entry of this order, this will constitute grounds for the suspension or revocation of the certificate of authority held by RCIC in Washington State. It will also result in a civil action being brought by the Attorney General on behalf of the Insurance Commissioner, to recover the fine.

Executed this 6th day of March, 2006

RURAL COMMUNITY INSURANCE COMPANY

By: 

PRINTED NAME: Timothy A. Verbrugge
PRINTED CORPORATE TITLE: Senior Vice President

Order:

Pursuant to the foregoing Findings of Fact, Conclusions of Law, and Consent to Order, the Insurance Commissioner orders as follows:

1. Rural Community Insurance Company is ordered to pay, within thirty days of the entry of this Order, a fine in the amount of \$6,000 (six thousand dollars).
2. Failure to timely pay the fine in full will constitute grounds for the suspension or revocation of the certificate of authority held by the insurer in Washington State.
3. It will also result in a civil action being brought by the Attorney General, on behalf of the Insurance Commissioner, to recover the fine.

Executed this 7th day of March, 2006

MIKE KREIDLER
Insurance Commissioner

By: 

Marcia G. Stickler
Legal Affairs Division